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IF FREEDOM FAIL

by Edna Lonigan

The so-called "Truman Doctrine" became effective when the President on May 22 signed the bill to bolster Greece and Turkey against Communism with American funds.

Undoubtedly this marks a turning point. But it does not herald a conflict between the United States and Russia, nor even between Free Enterprise and Marxism. What this political loan portends is another campaign in the now defensive war of Freedom against Statism. This battleground is not in Athens or Moscow, but all around us here at home.

From the time when the English beheaded a king who restored absolutism, and from the time when Locke and Montesquieu put their philosophy into words, the idea of Freedom was in the ascendant. For three centuries it spread over a widening area in Europe, Asia, and even Africa. No one doubted the ultimate triumph of Liberty over Slavery.

The average American still does not realize the change that has come, in part because of his own political apathy. The ideal of Freedom is no longer advancing. Throughout the Twentieth Century it has been in retreat. In most countries that retreat is now a rout.

The high water mark of Liberty came in the first World War, when under the glow of Allied military success, and stimulated by President Wilson's winged words, limited governments rose on the ruins of three great empires.

But with high water came the turning of the great world tide. In October, 1917, the Russian representative government was displaced by a new political force, which openly espoused the absolute State. Year after year, the influence of Socialism gained. Countries which had been in the orbit of Freedom moved psychologically, if not physically, to join the widening circle of absolute regimes. Each decade the dividing line between Freedom and Absolutism moved westward.

We thought each of these desertions was an "accident," but it wasn't. It was comforting to think that wicked men, who could be overthrown, could personally delay the progress of Liberty. But the dicta-

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tors did not destroy Freedom. Some change in the elan of mankind let the dictators enter in.

Today free peoples are not confronted by tinsel autocrats, with throne and scepter. What they face is a triumphant political challenge, which consigns our ideas of a stable constitution, a two-party system, minority rights, and the independent judiciary, to the dust heap.

II

What has Europe done to meet the new barbarian invasion? A few thoughtful books by Italians or Spaniards were almost the only warning that a mortal crisis was brewing. While Hitler, the political inventor, was transforming the State into a milling machine, many Americans were deriding him as a paper hanger, and laughing because his family name was Schickelgruber.

Freedom cannot be preserved by wisecracks. Pious references to Jefferson or Lincoln are not enough. We must understand the principles on which our defenses rest.

A great many people have died for Liberty but the English learned how to live for it. They learned that their rulers would always do what the people wanted -- if the rulers had to ask for money. The parliamentary system is at bottom a set of devices to insure that there shall be no taxation without representation. Only thus can the people, through Parliament, actually limit the power of the ruler.

When Parliament has control of money, the sovereign cannot indulge his personal whims, but must follow rules laid down for him by representatives of the citizens. That is government by law, insuring Liberty simply because the power of money is separated from the police power, which the Executive necessarily controls.

Even the Bill of Rights rests on this vital "separation of powers." The courts may say that an accused man shall go free, but the Judge does not unlock the door of the cell. If the ruler has no money of his own, he must obey the courts, or Parliament will withhold his income. If the Executive has the power of the purse he will ignore the courts. The primary concern of all modern dictators has been to gain the power over money. Then it was easy to abolish the rule of law.

There is one other vital element in English Liberty. Because this lies outside the law and the political system it is often forgotten. When governments are limited, the people are free. They practice all the arts of enterprise, which in autocratic countries are monopolized by servants of the State. When State officials organize trade or colonization, they use taxation and the police power. When private citizens do it, they must rely on voluntary money and voluntary work.

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The glory of the free system is neither parliamentary government nor free enterprise alone. Both of these are parts of a larger whole. That whole is voluntarism. Free nations are those in which men contribute their money and their labor freely, by choice and not under the compulsion of the State.

To their undying glory the English worked out this pattern. Now they no longer seem able to carry the burden. We alone can pick it up.

III

How strong is the American faith in limited government and individual enterprise? Let us disregard the New Deal, which was an improvised copy of the Continental Welfare State. Have the rest of us become indifferent to the central problem of Freedom, the need to keep the two most terrible powers in history, the power of money, and the power of the police, from being combined in the same hands?

By a devious device the American Government today has its own money. The Executive can print bonds and its Federal Reserve banks will exchange the bonds for paper or credit money. This is the same as the government printing press, except that the people do not recognize it. Congress can "approve" these issues, but it cannot stop them.

Because it has usurped the power of the purse, the Executive can now make its own laws, through boards and commissions. It has extended a protective arm over state and local governments. It has decisive power over labor, business and farming. It is moving to take over education and medicine. President Truman can approve this trend, but cannot stop it.

Most Americans do not even see the magnitude of the change that has come. When President Roosevelt vetoed a tax law, violating the basic tradition of the supremacy of the House in money matters, there was a sudden outburst of anger from Congress, a spate of news stories, and then silence. So expertly was our indifference exposed that many people believed Roosevelt planned the test to see how far he could go.

Recently one of our greatest newspapers editorially denounced John L. Lewis for defying the "government," obviously meaning by "government" the Executive power and not the law. To be logical that newspaper should have supported Hitler.

More significant than the growth of central power is the decline in citizen enterprise. Hospitals were once built in this country because devoted men and women collected small sums from their neighbors in behalf of the sick. Colleges were founded when the colonies were poorest, because men wanted them badly enough to give up something. Today we

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see the shameful spectacle of colleges begging the Federal Government to give them tax funds -- and at the same time take over the direction of their teaching. Americans, heirs of the Revolutionary War, beseech the central government to hand out lunches to their children.

IV

Our country, says Mazzini, is the fulcrum by which we move the world. Americans must have in their own minds the clearest vision of what Freedom is. Where American money goes, voluntarism must go too.

If the Truman Doctrine is to mean the spread of Freedom, we must be sure that it means a growth of voluntary activities, not Statism, in Greece and Turkey, and in the United States. If we establish a technical hierarchy in Greece and Turkey, under the control of our government, we shall simultaneously be surrendering to the domination of a technical hierarchy at home. The Republic will give way to Empire.

The Roosevelt Administration channeled all aid from the American Government to foreign governments. Our historic way is from American citizens to foreign citizens. We cannot spread the principles of Freedom by forcing foreign governments to force their subjects to use our money and then supervising its expenditure with a technical hierarchy. For our own sake, let us remember that governmental hierarchies are quickly changed into power groups.

The American people have been teaching voluntary association for generations. The Near East relief taught farming and freedom to thousands of Greeks. American colleges taught the Chinese about rural cooperatives. All over the world we are respected for what we do as individuals, suspected for what we do as a State.

American free schools, colleges, corporations, labor unions and cooperatives can scatter the seeds of Freedom once again, if we stop the waste of our substance at home, and let people spend their own money.

The American national symbol is Johnny Appleseed. We are again about to scatter our largesse all over the world. But we must plant something that blossoms and bears good fruit. We must not give away money and technical knowledge -- which the State can use to enslave -- without also teaching people the arts of voluntary organization, by which money and techniques are made subordinate to human needs. For whatever we give, for good or evil, will be returned to us in full measure.

For what avail the plough or sail,
Or land or life, if freedom fail?

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Not Merely Gossip *A Supplement to* Human Events VOL. IV, NO. 22

By Frank C. Hanighen May 28, 1947

Newspapers headlined the story "Hoover Blasts Russian Policy," or "Russia's Stalling World Recovery, Says Hoover." A more accurate and newsworthy banner would have been "Put Our House in Order First -- Hoover." With his characteristic aptitude for getting down to fundamental causes, Mr. Hoover in his much publicized letter to Congressman Taber dealt with the basic reasons for the muddle of our relief and occupation policies and the remedies thereof. He did not spare foreign Powers which have failed to collaborate in building recovery.

But he did place -- quite justly -- the primary emphasis on Washington's responsibility. In one place he points out that our foreign relief activities "are divided among five or six agencies directed from Washington," and not, as he tactfully puts it, "co-ordinated." In his concluding sentences, however, he places the onus where it belongs: "To put it bluntly, we cannot get such [foreign] co-operation unless there is co-ordination of our own organization at home so as to make American aid to other nations conditional upon their co-operation in the common end."

The former President made a big contribution by urging an immediate peace with Japan, an early one with Germany, to speed recovery. It is a little known fact that General MacArthur has twice in recent months needled the State Department to hasten the making of peace with Japan. As he met with no success, he was reportedly preparing to make the matter public in a speech, which would doubtless have had reverberating effects. Mr. Hoover took the initiative.

MacArthur's exasperating experience reinforces Hoover's thesis. The Far Eastern Division of the State Department (noted for its divergence from the Truman policy) as well as our Reparations commission have followed a line contrary to the constructive efforts of MacArthur. There is little wonder that progress towards a Japanese peace has been blocked. The Japanese situation, of course, is happy compared with the criminally tragic muddle in Central Europe. Confusion worse confounded in our foreign activities must yield to a really clear-cut plan with the various agencies staffed with men who want to work for peace instead of chaos and who will follow the plan. Otherwise, American foreign policy is likely to go down in ignominious defeat. It would be unfortunate if the country missed this message in the Hoover letter.

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"For sheer waste, nothing in the 1947 Presidential budget compares with the items for Naval Appropriations," writes to us a distinguished regular Army officer (retired) who is himself a writer on military affairs. "The Army budget, all too large, is pared to the bone beside that of the Navy. It looks to me as if the very able public relations of the Navy has made that arm of our defense sacrosanct regardless of the actual defense situation." If one discounts a little the service bias, the rest of this officer's analysis deserves serious consideration.

"Between about 1905 and World War II, public opinion had been quite rightly brought to look upon the Navy as our first line of defense. So long as the Navy was kept powerful, there was no danger of invasion. (The aeroplane did not really come to full development as a threat until during World War II.) In the years just before the last war, the fleets of Japan, Germany, Italy and even Russia were justifiably regarded as potential enemies.

"But since the end of the war there has existed an entirely new situation of which the public seems to be ignorant. Today, the U. S. Navy is without a rival on the seven seas, to an extent never attained by Great Britain in its palmiest days.

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It would be absurd to regard Britain as a potential enemy, but even if that were true, our superiority would be overwhelming. The Russian fleet is negligible. As an instance, we have 100 carriers; the Russians none. Today, the carrier is considered to be the capital ship rather than the battleship.

"I recently had a talk with ----, former naval officer and outstanding writer on naval affairs. He says that the number of naval vessels in commission is excessive in view of the new situation of world naval strength. He agrees that the Administration's request for $3,850,000,000 could be safely cut to $2,250,000,000. I'm afraid that it's pride which prompts the admirals to demand the big budget; and the ignorance of the public about the new sea power situation makes members of Congress obliging."

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The Morgenthau plan has been interred numerous times by editorial writers in the past six months, but its ghost apparently haunts the directors of our policy in Germany. The astonishing Allied "crackdown" on German farmers for allegedly failing to deliver enough food (see Felix Morley's piece of last week) is an example. It was as if the Allied occupation rulers were seeking a new way of stifling the restorative forces of the country, by discouraging the farmers' natural desire to raise food. Additionally, the proposed currency reform looks as if it were designed to further disorganize the economy. These two developments seem inexplicable on any other grounds than a desire to continue "Morgenthau-ism."

For, expert opinion in Washington claims that the delivery record of the German farmer to date, so far as figures are available, is as good as if not better than that during the war years (under the ruthless and efficient Nazi regime). The farmers, it is true, could probably better the record; but they have no incentive to deliver under present occupation policies, for the following reasons:

(1) Production of manufactured goods and production of foodstuffs are wholly out of balance. Under the occupation policies, industrial production exists on such a low level that the farmer can buy little consumer goods on the market; such as, clothing, boots, household goods, farm implements, etc. Why should he work hard if he cannot obtain his necessities? If the measures advocated by Hoover -- raising the level of industry, stopping removals of plant, throttling down the reparation plans, etc. -- were accepted and enforced, they would re-establish the normal balance between agriculture and industry.

(2) The occupation authorities have been publicly foreshadowing a reform of the German currency. The announcement of this intention has destroyed the farmers' confidence in the mark, particularly in view of the fact that the new mark would reportedly be worth only one-tenth of the old one. In other words, the farmer would stand to lose about nine-tenths of his earnings. Naturally he is disinclined to part with his produce in exchange for radically depreciated paper money.

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"Witch-hunting" certainly hasn't taken away the "witches'" broomsticks. Recently some otherwise sensible observers (we except the professional Leftist commentators) have suggested that anti-Red "hysteria" is smothering dissent. We haven't been able to see it that way. For instance, a news story in the New York Times (April 27) described a forum "for college women" held the day before at the Hotel Commodore. It would not have been surprising, in these days of deep suspicion of Russia, if the proceedings of the forum had been monopolized by such publicists -- noted for their criticism of Russia and Communism -- as William Henry Chamberlin, Louis Fischer, Eugene Lyons, Ben Stolberg, et al. But, it wasn't so.

The poor oppressed "witches" were able to bestride their steeds and fly right to the Commodore, and in impressive numbers. According to the Times story, Mr.

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Joseph Barnes, who has long been noted for his tender and "understanding" views on Soviet Russia, presided at the meeting. Professor Frederick Schuman, Maurice Hindus, Annalee Jacoby, Owen Lattimore and Richard Lauterbach, hardly to be described as "anti-Soviet," were featured speakers. We noted only one name, that of James Reston of the Times, as associated with those critical of Russia. The views of two others -- Marshall MacDuffie and Professor John Hazard -- are unknown to us. Assuming that the last two mentioned are not "witches," it looks like the poor persecuted friends of Soviet Russia were able to swamp at least one public rostrum in these days of "red hysteria."

* * * * *

A few streaks of blue sky have recently appeared amidst the dark clouds on the foreign horizon. Norway successfully floated a $10,000,000 ten-year loan on the American market, and Australia refunded four issues of bonds totalling $93,500,000. Australia, it is true, escaped entirely the devastation of war and Norway suffered comparatively little; and the former enjoys a very favorable financial situation. But the successful financings were a favorable sign. A better test, however, of how Wall Street regards foreign loans will be seen in the reception accorded the $20,000,000 ten-year loan of the Kingdom of the Netherlands, which is being offered to American investors this week.

Holland, like the United Kingdom, has traditionally imported more than it exported and has normally balanced its international budget by "invisibles" -- returns from foreign lending and from shipping. The Dutch homeland suffered extensively from the opening of the dikes during the war, from the destruction of its great port Rotterdam and from damage to its transportation facilities. The revolution in its East Indian territories has cut off income vital to the homeland. If the Street's reaction to the Dutch loan is favorable, then the prospect for foreign lending is considerably brighter. It will be interesting, in a wider sense, to see what is the investment community's opinion of the chances for survival of an old-style, trading-and-investing capitalistic imperialism like the Netherlands.

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The international credit position of the Kingdom of the Netherlands depends vitally on the future of the Dutch colonial empire. It may seem paradoxical to many that little Holland is stubbornly trying to retain its hold on the East Indies, while Great Britain is seeking to retreat from India, "brightest gem." Actually, the contrast between these two imperial courses is quite understandable. For Britain to cut its losses in Asia represents no final act of imperial abdication, for British strength can be concentrated hereafter more effectively on the consolidation and exploitation of Africa. But, if the Dutch lose Java and Sumatra, they will have really lost their empire, with grave if not fatal results to the ailing economy of the homeland.

Hence the protracted struggle between the Dutch Crown and the Indonesian Nationalists. It is suspected that the Dutch authorities are procrastinating in their diplomatic negotiations with the Indonesian Government in order to build up their own military forces for a showdown. Recent large troop movements from Holland to the East have been reported, and some authorities believe that the Dutch have now over 100,000 troops in that area. At the same time, the Royal Dutch Navy seeks to enforce a blockade of Indonesian ports. Finally, the Dutch have reportedly given assistance to the Sundanese People's Party in an effort to cut off the western third of Java from the authority of the Indonesian Republic -- apparently a tactic of "divide and rule." The Dutch effort in the East Indies is more than the last stand of European colonial imperialism in Asia (like that of the French in Indo-China). It is a desperate struggle to ensure the survival of the little lowland country on the North Sea.

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Notes and Quotes

Roger Baldwin, of the American Civil Liberties Union, writes from Japan: "General MacArthur's office called up and invited me to lunch with him and Mrs. MacArthur at the Embassy next day. He greeted me with the word that he had been awaiting my arrival, gave me the keys to the kingdom and told me to report to him personally if I did not get entire co-operation throughout his staff. . . . The General is a charming, wise, witty, most unmilitary man with a strong sense of mission, a genuine democrat who sees his role in large historic outlines, and with great confidence in the Japanese.

"He entirely approved my aiding in forming a civil rights agency, in promoting United Nations co-operation and assisting the 10,000 Japanese Americans in Japan desirous of returning to the U. S. He requested my observations on all civil liberties phases of the occupation. He will get them, and they are plenty, but on the whole so far favorable. Indeed I am and have been enthusiastic over what the occupation is accomplishing in reorganizing Japan on democratic lines -- a terribly tough job against all the autocratic traditions and popular attitude of follow the leader. . . .

"Most of the Japanese like the occupation and want us to stay a while. We'd get a 75 per cent vote not to quit if a poll were taken, because we have started a job of transformation which we should finish. They act as if they were a liberated and not conquered land, and as if we were their guests not their masters."

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That half-forgotten classic, America Comes of Age, by Andre Siegfried (1927), has no more lost its value than has the ageless Democracy in America, by Alexis de Tocqueville. Professor Siegfried's discussion of the 1924 Presidential campaign, with particular reference to the elder La Follette's third party bid for power, includes some reflections which have no little application to the developing political situation in the United States today: "The two elections of 1920 and 1924 are not unlike those of 1896 and 1900 which gave victory to President McKinley, in that they all confirmed the fact that the country goes Republican whenever it is a question of stability vs. adventure, of a business vs. a political administration, or of those who merely ask to be left alone vs. those who are concerned with the theoretical division of wealth. The country gave the same sigh of relief when the failure of La Follette was announced that it did in the case of Bryan thirty years before."

Today there is the specter of Wallace to replace that of the elder La Follette. It may well be, also, that the country would prefer a business administration; and there is little doubt that "those who merely ask to be left alone" constitute a majority. But, with the foreign scene electric with dangerous possibilities, the $64 question for the next year is "stability vs. adventure (abroad)."

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They Almost Killed Hitler (MacMillan, $2.50) is a companion piece to Allen W. Dulles' Germany's Underground, which we mentioned on April 16. It gives a more intimate, personalized and detailed picture of the German Underground movement than does Mr. Dulles' book. Based on the personal account of Fabian von Schlabrendorff, who took an active part in the plots against Hitler's life and regime, it is edited and presented by Gero v. S. Gaevernitz, who acted as liaison agent bebetween Mr. Dulles' OSS group in Switzerland and the German conspirators. General William J. Donovan, who contributes an introduction, says, "This book . . . reminds us of the self-sacrifice of brave men who died on the gallows, under torture, or in concentration camps because they dared against hopeless odds to plot the downfall of a tyrant."

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